



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET

July 28, 2008

TO: ALL STATE AGENCIES, SCHOOL DISTRICTS, MUNICIPALITIES, VOLUNTEER
FIRE COMPANIES AND POLITICAL SUBDIVISIONS

FROM: COURTNEY MCCARTY
STATE CONTRACT PROCUREMENT OFFICER
302-857-4557

SUBJECT: **AWARD NOTICE, Addendum #3, effective August 1, 2011**
CONTRACT NO. GSS08356-PRESORT_ MAIL
PRE-SORT MAIL SERVICES

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KEY CONTRACT INFORMATION

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KEY CONTRACT INFORMATION

1. MANDATORY USE CONTRACT:

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REF: Title 29, Chapter 6911(d) Delaware Code. Every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by Government Support Services, Office of Management and Budget. Delaware State University, Delaware Technical and Community College, the operations funded by Public School Districts, Delaware Transit Corporation, Department of Elections, the Legislative Branch and the Board of Pension Trustees and their consultants are specifically exempted from the requirements of this subsection.

2. CONTRACT PERIOD:

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Each Vendors contract shall be valid for a two (2) year period from August 1, 2008 through July 31, 2010. Each contract may be renewed for two (2) additional one (1) year periods through negotiation between the contractor and Government Support Services. Negotiation must be initiated no later than ninety (90) days prior to the termination of the current agreement.

Contract effective through July 31, 2011.

Contract effective through July 31, 2012.

3. VENDORS:

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Mailroom Systems Inc.
340 Buttonwood St.
West Reading, PA 19611
Phone: 610-372-4490
Contact: Alex Stark

4. SHIPPING TERMS:

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F.O.B. destination.

5. DELIVERY AND PICKUP:

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Pick up times for Dover and Wilmington will be made after 4:15 pm, delivery will be made to Hares Corner on the same day following pick up from agency.

6. PRICING:

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1. Prices qualifying at 1st Class USPS 5 digit bar coded rate \$.015 per piece.
2. Prices qualifying at 1st Class USPS 3 digit, basic, pre-sort and single piece \$0.00 per piece.
3. Prices qualifying at 1st Class Flat USPS 3 digit, basic, pre-sort and single piece \$.25 per piece.
4. Prices qualifying at Standard USPS 5 digit bar coded rate \$.047 per piece.
5. Prices qualifying at Standard USPS 3 digit, basic, pre-sort and single piece \$ 0.00 per piece.
6. Standard Flats will be based on as needed, quote basis.

Mailroom Systems shall affix the USPS five (5) or three (3) digit barcode rate on each piece of mail for which it qualifies. Mailroom Systems will be responsible to affix any additional USPS postage to each piece of mail based on pre-sort rate it qualifies for. The State will be invoiced by the successful vendor for additional postage.

Prices will remain firm for the term of the contract year.

ADDITIONAL TERMS AND CONDITIONS

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7. BILLING:

The successful vendor is required to "Bill as Shipped" to the respective ordering agency(s). Ordering agencies shall provide at a minimum the contract number, ship to and bill to address, contract name and phone number.

8. PAYMENT:

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

9. ORDERING PROCEDURE:

Successful contractors are required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Each agency is responsible for placing their orders and may be accomplished by written purchase order, telephone, fax or computer on-line systems. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

10. REQUIREMENTS:

Mailroom Systems is required to sort all outgoing U. S. Mail as required to qualify for all pre-sort discounts; to package the mail in compliance with U.S. Postal regulation; and to deliver the mail to the U.S. Postal Distribution Center at Hares Corner, Wilmington, Delaware on the same day following pick up from the agency. Residual mail that did not qualify for pre-sort discount must be processed in accordance with U.S.P.S. rates within twenty-four (24) hours from receipt of agency, and delivered to the U.S.P.S. processing facility.

10. REQUIREMENTS: cont.

Receipts and Invoices:

- a. Mailroom Systems will be required to provide and sign a receipt for the mail at the pick-up locations. The receipt will include the following information:
 - Date of pick-up, meter date, and location
 - Number of trays
 - Total piece count
- b. Mailroom Systems is required to provide a weekly invoice listing the number of pieces by pre-sort type processed daily, i.e., 5 digit, 3 digit, MADC, ADC, Residual, from each originating location.
- c. Mailroom Systems will be required to provide a duplicate copy of each drop-ship receipt received from the U.S.P.S. processing center(s) and shall be attached to each invoice. Failure to provide attachments will delay invoice process.

All trays and any other supplies needed to perform this service is the responsibility of the successful vendor.

11. HOLD HARMLESS:

The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

12. NON-PERFORMANCE:

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

13. FORCE MAJEURE:

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

14. AGENCY'S RESPONSIBILITIES:

The Agency shall:

- a. Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- b. Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.
- c. When an ordering agency first experiences a relatively minor problem or difficulty with a vendor, the agency will contact the vendor directly and attempt to informally resolve the problem. This includes failure to perform by the date specified and any unacceptable difference(s) between the purchase order and the merchandise received. Ordering agencies should stress to vendors that they should expedite correction of the differences because failure to reply may result in an unfavorable rating in the execution of the awarded contract.
- d. The state has several remedies available to resolve non-performance issues with the contractor. The Agency should refer to the Contract Terms and Conditions to view these remedies. When a default occurs, the Agency should first review the contract to confirm that the issue is a part of the contract. If the issue is not covered by the contract, the state cannot expect the contractor to perform outside the agreement. If the issue is a part of the contract, the Agency or GSS - Contracting must then contact the contractor, discuss the reasons surrounding the default and establish a date when the contractor will resolve the non-performance issue.
- e. If there is a performance deficiency, a Corrective Action Report (CAR) may be used. Complete this form to report concerns with vendors or commodities. Be sure to furnish as much detail as possible. <http://gss.omb.delaware.gov/divisionwide/forms.shtml>.